

County of Los Angeles CHIEF ADMINISTRATIVE OFFICE

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January 29, 2007

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Department of Public Social Services

ADDENDUM TO THE JANUARY 18, 2007 REPORT ASSESSING THE IMPACT OF THE GOVERNOR'S WELFARE PROPOSAL (ITEM NO. 69, AGENDA OF JANUARY 30, 2007)

As requested by your Board at the meeting of January 23, 2007, this is to provide a report for clarification on the Governor's Welfare Proposals. This report provides clarification on the following: 1) changes to CalWORKs eligibility under the Governor's proposals; 2) information on sanction and time-limit policies across states; and 3) a summary of research on the effectiveness of full-family sanction policies. This report also includes additional information on the potential cost shift to the County's General Relief (GR) Program resulting from the Governor's proposals.

Changes to CalWORKs Eligibility Under the Governor's Proposals

The following table shows a comparison of current State law and the Governor's proposals as they relate to full-family sanctions and time-limits. Under current law, as well as under the Governor's proposals, only citizens or legal immigrant adults and children are eligible for CalWORKs assistance, as long as they meet all existing eligibility requirements. Undocumented adults and children are not eligible to receive CalWORKs assistance under current law, as well as under the Governor's proposals.

	Current State Law		Governor's Proposal	
Policies	Adults	Children	Adults	Children
Cash Aid after Adult is Sanctioned 90 Days	Not Aided	Aided	Not Aided	Not Aided
Cash Aid to Children and Their Citizen or Legal Immigrant Parents <u>After</u> 60 Months of Aid	Not Aided	Aided	Not Aided	Not Aided unless parent meets Federal work requirements*
Cash Aid to Children of Undocumented Parents After Children Receive 60 Months of Aid	Not Aided	Aided	Not Aided	Not Aided
Cash Aid to Children of Drug Felons and Fleeing Felons after Children Receive 60 Months of Aid	Not Aided	Aided	Not Aided	Not Aided

^{*} As an exception to the Governor's proposed time-limit on aid to children, children of citizen or legal immigrant parents would continue to be aided after 60 months, if their parents met Federal work participation requirements.

Sanction and Time-Limit Policies Across States

- California is one of 31 states that only sanction (suspend) the adult portion of a family's cash grant for non-compliance with welfare-to-work requirements. Other states sanction the entire family.
- California is one of 10 states that only terminate the adult portion of a family's cash grant once a family with an aided adult reaches the time-limit. Other large states that maintain cash assistance for the children when a family reaches the State's time-limit include New York and Michigan. Other states time-limit the entire family.
- The Federal TANF time-limit, on which state time-limit policies are based, only
 applies to cases with an aided adult. Therefore, there is no Federal time-limit on
 child-only cases, which include cases with undocumented parents.

Research on Effectiveness of Full-Family Sanctions

Two major national research organizations have reviewed the full range of sanction research studies from individual states and localities and have concluded that there is no definitive evidence on the relative effectiveness of full-family sanctions in causing parents to move from welfare-to-work. A 2002 Brookings Institution Policy Brief entitled Sanctions and Welfare Policy, concluded that "...there is not enough solid evidence to draw firm conclusions about the relative effectiveness of full-family and partial family sanctions." The Brookings Institution Policy Brief further explained:

"It is not clear whether full-family sanctions generate larger changes in recipient behavior than partial sanctions. It may be that most of the recipients who are able to follow the rules are induced to do so by partial sanctions. If that were true, full-family sanctions could end up imposing greater penalties on people who are unable to comply."

A 2003 Mathematica Policy Research Inc. analysis entitled, *Review of Sanction Policies and Research Studies*, echoed this same general conclusion about the lack of definitive evidence on the effectiveness of sanction policy by adding that "even with more and better data, studies that exploit the variation in state sanction policies will not be able to definitely prove whether full-family sanctions produce better outcomes than partial sanctions."

Cost Shift to the County's General Relief Program

According to County Counsel, there are legal arguments which might limit the ability of some of the children terminated from CalWORKs assistance under the Governor's proposals to receive GR in Los Angeles County. If 50% of these children were to apply and qualify for GR benefits, the estimated annual cost to the County would be between \$74.2 million to \$103.2 million.

Please let us know if you have any questions or desire further information.

DEJ:BY:PA

c: Executive Officer, Board of Supervisors County Counsel County Welfare Directors Association